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SENATE BILL 5837

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State of Washington

57th Legislature

2001 Regular Session

By Senators T. Sheldon, Swecker, Spanel, Snyder and Oke

Read first time 02/05/2001. Referred to Committee on Natural Resources, Parks & Shorelines.

1 AN ACT Relating to state oyster reserve lands; amending RCW  
2 79.96.110, 43.84.092, and 43.84.092; adding new sections to chapter  
3 77.60 RCW; repealing RCW 79.96.090; providing an effective date; and  
4 providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 77.60 RCW  
7 to read as follows:

8 The department shall initiate a pilot project to evaluate the  
9 feasibility and potential of intensively culturing shellfish on  
10 currently nonproductive oyster reserve land in Puget Sound and in  
11 Willapa Harbor. The department shall enter into no fewer than six  
12 long-term lease agreements with commercial shellfish growers on or  
13 before July 1, 2002. At least three of these leases shall be on oyster  
14 reserve lands in Willapa Harbor and three shall be on oyster reserve  
15 lands in Puget Sound. Revenues from the lease of such lands shall be  
16 deposited in the oyster reserve land account created in section 2 of  
17 this act.

18 The department shall form one advisory committee each for the  
19 Willapa Harbor oyster reserve lands and the Puget Sound oyster reserve

1 lands. The advisory committees shall make recommendations on  
2 management practices to conserve, protect, and develop oyster reserve  
3 lands. The advisory committees may make recommendations regarding the  
4 management practices on oyster reserve lands, in particular to ensure  
5 that they are managed in a manner that will not be detrimental to the  
6 market for shellfish grown on nonreserve lands. The advisory  
7 committees may also make recommendation on the distribution of funds in  
8 section 2(2)(a) of this act.

9 The department shall submit a brief progress report on the status  
10 of the pilot programs to the appropriate standing committees of the  
11 legislature by January 7, 2003.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 77.60 RCW  
13 to read as follows:

14 (1) The oyster reserve land account is created in the state  
15 treasury. All receipts from revenues from the lease of land or sale of  
16 shellfish from oyster reserve lands must be deposited into the account.  
17 Moneys in the account may be spent only after appropriation.  
18 Expenditures from the account may be used only as provided in this  
19 section.

20 (2) Funds in the account shall be used for the purposes provided  
21 for in this subsection:

22 (a) Up to forty percent for the management expenses incurred by the  
23 department that are directly attributable to the management of the  
24 oyster reserve lands and for the expenses associated with new research  
25 and development activities at the Pt. Whitney and Nahcotta shellfish  
26 laboratories managed by the department. As used in this subsection,  
27 "new research and development activities" includes an emphasis on the  
28 control of aquatic nuisance species and burrowing shrimp;

29 (b) Up to ten percent may be deposited into the state general fund;  
30 and

31 (c) All remaining funds in the account shall be used for the  
32 shellfish - on-site sewage grant program established in section 3 of  
33 this act.

34 NEW SECTION. **Sec. 3.** A new section is added to chapter 77.60 RCW  
35 to read as follows:

36 (1) The department of health shall establish a shellfish - on-site  
37 sewage grant program. The grants shall be given to improve on-site

1 sewage systems only in areas that have the potential to adversely  
2 affect water quality in commercial and recreational shellfish growing  
3 areas. A recipient of a grant shall enter into an agreement with the  
4 appropriate local health jurisdiction to maintain the on-site sewage  
5 systems according to specifications required by the local health  
6 jurisdiction. In issuing grants, the department shall work closely  
7 with local health jurisdictions and shall endeavor to attain geographic  
8 equity between the Willapa Harbor and the Puget Sound. For the  
9 purposes of this subsection, "geographic equity" means issuing on-site  
10 sewage grants at a level that matches the funds generated from the  
11 oyster reserve lands in that area.

12 (2) In the Puget Sound, the department shall give first priority to  
13 areas that are:

14 (a) Identified as "areas of special concern" under WAC 246-272-  
15 01001; or

16 (b) Included in shellfish protection districts under chapter 90.72  
17 RCW.

18 (3) The department may not award grants to a person with an income  
19 that is greater than eighty percent of the median income of the county  
20 in which the on-site septic system is located.

21 (4) The department shall administer the program to enhance the  
22 effectiveness of the state revolving fund loans to local governments  
23 for on-site sewage systems.

24 (5) The department may recover the costs to administer this program  
25 not to exceed four percent of the shellfish - on-site sewage grant  
26 program.

27 (6) For the 2001-03 biennium, the department may use up to fifty  
28 percent of the shellfish - on-site sewage grant program funds for  
29 grants to local health jurisdictions to establish "areas of special  
30 concern" under WAC 246-272-01001 where commercial and recreational uses  
31 are present.

32 **Sec. 4.** RCW 79.96.110 and 2000 c 11 s 30 are each amended to read  
33 as follows:

34 (1) In (~~case the director of~~) the event that the fish and  
35 wildlife commission approves the vacation of the whole or any part of  
36 said reserve, the department of natural resources may vacate and offer  
37 for lease such parts or all of said reserve as it deems to be for the  
38 best interest of the state, and all moneys received for the lease of

1 such lands shall be paid to the department of natural resources(~~(:~~  
2 ~~PROVIDED, That nothing in RCW 79.96.090 through 79.96.110 shall be~~  
3 ~~construed as authorizing the lease of any tidelands which have~~  
4 ~~heretofore, or which may hereafter, be set aside as))).~~

5 (2) Notwithstanding RCW 77.60.020, subsection (1) of this section,  
6 or any other provision of state law, the state oyster reserves in Eld  
7 Inlet, Hammersley Inlet, or Totten Inlet, situated in Mason or Thurston  
8 counties(~~(:~~ ~~PROVIDED FURTHER, That any portion of Plat 138, Clifton's~~  
9 Oyster Reserve, which has already been vacated, may be leased by the  
10 department)) shall permanently be designated as state oyster reserve  
11 lands.

12 **Sec. 5.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 5 are each amended  
13 to read as follows:

14 (1) All earnings of investments of surplus balances in the state  
15 treasury shall be deposited to the treasury income account, which  
16 account is hereby established in the state treasury.

17 (2) The treasury income account shall be utilized to pay or receive  
18 funds associated with federal programs as required by the federal cash  
19 management improvement act of 1990. The treasury income account is  
20 subject in all respects to chapter 43.88 RCW, but no appropriation is  
21 required for refunds or allocations of interest earnings required by  
22 the cash management improvement act. Refunds of interest to the  
23 federal treasury required under the cash management improvement act  
24 fall under RCW 43.88.180 and shall not require appropriation. The  
25 office of financial management shall determine the amounts due to or  
26 from the federal government pursuant to the cash management improvement  
27 act. The office of financial management may direct transfers of funds  
28 between accounts as deemed necessary to implement the provisions of the  
29 cash management improvement act, and this subsection. Refunds or  
30 allocations shall occur prior to the distributions of earnings set  
31 forth in subsection (4) of this section.

32 (3) Except for the provisions of RCW 43.84.160, the treasury income  
33 account may be utilized for the payment of purchased banking services  
34 on behalf of treasury funds including, but not limited to, depository,  
35 safekeeping, and disbursement functions for the state treasury and  
36 affected state agencies. The treasury income account is subject in all  
37 respects to chapter 43.88 RCW, but no appropriation is required for

1 payments to financial institutions. Payments shall occur prior to  
2 distribution of earnings set forth in subsection (4) of this section.

3 (4) Monthly, the state treasurer shall distribute the earnings  
4 credited to the treasury income account. The state treasurer shall  
5 credit the general fund with all the earnings credited to the treasury  
6 income account except:

7 (a) The following accounts and funds shall receive their  
8 proportionate share of earnings based upon each account's and fund's  
9 average daily balance for the period: The capitol building  
10 construction account, the Cedar River channel construction and  
11 operation account, the Central Washington University capital projects  
12 account, the charitable, educational, penal and reformatory  
13 institutions account, the common school construction fund, the county  
14 criminal justice assistance account, the county sales and use tax  
15 equalization account, the data processing building construction  
16 account, the deferred compensation administrative account, the deferred  
17 compensation principal account, the department of retirement systems  
18 expense account, the drinking water assistance account, the Eastern  
19 Washington University capital projects account, the education  
20 construction fund, the emergency reserve fund, the federal forest  
21 revolving account, the health services account, the public health  
22 services account, the health system capacity account, the personal  
23 health services account, the state higher education construction  
24 account, the higher education construction account, the highway  
25 infrastructure account, the industrial insurance premium refund  
26 account, the judges' retirement account, the judicial retirement  
27 administrative account, the judicial retirement principal account, the  
28 local leasehold excise tax account, the local real estate excise tax  
29 account, the local sales and use tax account, the medical aid account,  
30 the mobile home park relocation fund, the multimodal transportation  
31 account, the municipal criminal justice assistance account, the  
32 municipal sales and use tax equalization account, the natural resources  
33 deposit account, the oyster reserve land account, the perpetual  
34 surveillance and maintenance account, the public employees' retirement  
35 system plan 1 account, the public employees' retirement system plan 2  
36 account, the Puyallup tribal settlement account, the resource  
37 management cost account, the site closure account, the special wildlife  
38 account, the state employees' insurance account, the state employees'  
39 insurance reserve account, the state investment board expense account,

1 the state investment board commingled trust fund accounts, the  
2 supplemental pension account, the teachers' retirement system plan 1  
3 account, the teachers' retirement system combined plan 2 and plan 3  
4 account, the tobacco prevention and control account, the tobacco  
5 settlement account, the transportation infrastructure account, the  
6 tuition recovery trust fund, the University of Washington bond  
7 retirement fund, the University of Washington building account, the  
8 volunteer fire fighters' and reserve officers' relief and pension  
9 principal fund, the volunteer fire fighters' and reserve officers'  
10 administrative fund, the Washington judicial retirement system account,  
11 the Washington law enforcement officers' and fire fighters' system plan  
12 1 retirement account, the Washington law enforcement officers' and fire  
13 fighters' system plan 2 retirement account, the Washington school  
14 employees' retirement system combined plan 2 and 3 account, the  
15 Washington state health insurance pool account, the Washington state  
16 patrol retirement account, the Washington State University building  
17 account, the Washington State University bond retirement fund, the  
18 water pollution control revolving fund, and the Western Washington  
19 University capital projects account. Earnings derived from investing  
20 balances of the agricultural permanent fund, the normal school  
21 permanent fund, the permanent common school fund, the scientific  
22 permanent fund, and the state university permanent fund shall be  
23 allocated to their respective beneficiary accounts. All earnings to be  
24 distributed under this subsection (4)(a) shall first be reduced by the  
25 allocation to the state treasurer's service fund pursuant to RCW  
26 43.08.190.

27 (b) The following accounts and funds shall receive eighty percent  
28 of their proportionate share of earnings based upon each account's or  
29 fund's average daily balance for the period: The aeronautics account,  
30 the aircraft search and rescue account, the county arterial  
31 preservation account, the department of licensing services account, the  
32 essential rail assistance account, the ferry bond retirement fund, the  
33 grade crossing protective fund, the high capacity transportation  
34 account, the highway bond retirement fund, the highway safety account,  
35 the motor vehicle fund, the motorcycle safety education account, the  
36 pilotage account, the public transportation systems account, the Puget  
37 Sound capital construction account, the Puget Sound ferry operations  
38 account, the recreational vehicle account, the rural arterial trust  
39 account, the safety and education account, the special category C

1 account, the state patrol highway account, the transportation equipment  
2 fund, the transportation fund, the transportation improvement account,  
3 the transportation improvement board bond retirement account, and the  
4 urban arterial trust account.

5 (5) In conformance with Article II, section 37 of the state  
6 Constitution, no treasury accounts or funds shall be allocated earnings  
7 without the specific affirmative directive of this section.

8 **Sec. 6.** RCW 43.84.092 and 2000 2nd sp.s. c 4 s 6 are each amended  
9 to read as follows:

10 (1) All earnings of investments of surplus balances in the state  
11 treasury shall be deposited to the treasury income account, which  
12 account is hereby established in the state treasury.

13 (2) The treasury income account shall be utilized to pay or receive  
14 funds associated with federal programs as required by the federal cash  
15 management improvement act of 1990. The treasury income account is  
16 subject in all respects to chapter 43.88 RCW, but no appropriation is  
17 required for refunds or allocations of interest earnings required by  
18 the cash management improvement act. Refunds of interest to the  
19 federal treasury required under the cash management improvement act  
20 fall under RCW 43.88.180 and shall not require appropriation. The  
21 office of financial management shall determine the amounts due to or  
22 from the federal government pursuant to the cash management improvement  
23 act. The office of financial management may direct transfers of funds  
24 between accounts as deemed necessary to implement the provisions of the  
25 cash management improvement act, and this subsection. Refunds or  
26 allocations shall occur prior to the distributions of earnings set  
27 forth in subsection (4) of this section.

28 (3) Except for the provisions of RCW 43.84.160, the treasury income  
29 account may be utilized for the payment of purchased banking services  
30 on behalf of treasury funds including, but not limited to, depository,  
31 safekeeping, and disbursement functions for the state treasury and  
32 affected state agencies. The treasury income account is subject in all  
33 respects to chapter 43.88 RCW, but no appropriation is required for  
34 payments to financial institutions. Payments shall occur prior to  
35 distribution of earnings set forth in subsection (4) of this section.

36 (4) Monthly, the state treasurer shall distribute the earnings  
37 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the treasury  
2 income account except:

3 (a) The following accounts and funds shall receive their  
4 proportionate share of earnings based upon each account's and fund's  
5 average daily balance for the period: The capitol building  
6 construction account, the Cedar River channel construction and  
7 operation account, the Central Washington University capital projects  
8 account, the charitable, educational, penal and reformatory  
9 institutions account, the common school construction fund, the county  
10 criminal justice assistance account, the county sales and use tax  
11 equalization account, the data processing building construction  
12 account, the deferred compensation administrative account, the deferred  
13 compensation principal account, the department of retirement systems  
14 expense account, the drinking water assistance account, the Eastern  
15 Washington University capital projects account, the education  
16 construction fund, the emergency reserve fund, the federal forest  
17 revolving account, the health services account, the public health  
18 services account, the health system capacity account, the personal  
19 health services account, the state higher education construction  
20 account, the higher education construction account, the highway  
21 infrastructure account, the industrial insurance premium refund  
22 account, the judges' retirement account, the judicial retirement  
23 administrative account, the judicial retirement principal account, the  
24 local leasehold excise tax account, the local real estate excise tax  
25 account, the local sales and use tax account, the medical aid account,  
26 the mobile home park relocation fund, the multimodal transportation  
27 account, the municipal criminal justice assistance account, the  
28 municipal sales and use tax equalization account, the natural resources  
29 deposit account, the oyster reserve land account, the perpetual  
30 surveillance and maintenance account, the public employees' retirement  
31 system plan 1 account, the public employees' retirement system combined  
32 plan 2 and plan 3 account, the Puyallup tribal settlement account, the  
33 resource management cost account, the site closure account, the special  
34 wildlife account, the state employees' insurance account, the state  
35 employees' insurance reserve account, the state investment board  
36 expense account, the state investment board commingled trust fund  
37 accounts, the supplemental pension account, the teachers' retirement  
38 system plan 1 account, the teachers' retirement system combined plan 2  
39 and plan 3 account, the tobacco prevention and control account, the

1 tobacco settlement account, the transportation infrastructure account,  
2 the tuition recovery trust fund, the University of Washington bond  
3 retirement fund, the University of Washington building account, the  
4 volunteer fire fighters' and reserve officers' relief and pension  
5 principal fund, the volunteer fire fighters' and reserve officers'  
6 administrative fund, the Washington judicial retirement system account,  
7 the Washington law enforcement officers' and fire fighters' system plan  
8 1 retirement account, the Washington law enforcement officers' and fire  
9 fighters' system plan 2 retirement account, the Washington school  
10 employees' retirement system combined plan 2 and 3 account, the  
11 Washington state health insurance pool account, the Washington state  
12 patrol retirement account, the Washington State University building  
13 account, the Washington State University bond retirement fund, the  
14 water pollution control revolving fund, and the Western Washington  
15 University capital projects account. Earnings derived from investing  
16 balances of the agricultural permanent fund, the normal school  
17 permanent fund, the permanent common school fund, the scientific  
18 permanent fund, and the state university permanent fund shall be  
19 allocated to their respective beneficiary accounts. All earnings to be  
20 distributed under this subsection (4)(a) shall first be reduced by the  
21 allocation to the state treasurer's service fund pursuant to RCW  
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23 (b) The following accounts and funds shall receive eighty percent  
24 of their proportionate share of earnings based upon each account's or  
25 fund's average daily balance for the period: The aeronautics account,  
26 the aircraft search and rescue account, the county arterial  
27 preservation account, the department of licensing services account, the  
28 essential rail assistance account, the ferry bond retirement fund, the  
29 grade crossing protective fund, the high capacity transportation  
30 account, the highway bond retirement fund, the highway safety account,  
31 the motor vehicle fund, the motorcycle safety education account, the  
32 pilotage account, the public transportation systems account, the Puget  
33 Sound capital construction account, the Puget Sound ferry operations  
34 account, the recreational vehicle account, the rural arterial trust  
35 account, the safety and education account, the special category C  
36 account, the state patrol highway account, the transportation equipment  
37 fund, the transportation fund, the transportation improvement account,  
38 the transportation improvement board bond retirement account, and the  
39 urban arterial trust account.

1 (5) In conformance with Article II, section 37 of the state  
2 Constitution, no treasury accounts or funds shall be allocated earnings  
3 without the specific affirmative directive of this section.

4 NEW SECTION. **Sec. 7.** RCW 79.96.090 (Lease of tidelands set aside  
5 as oyster reserves) and 1982 1st ex.s. c 21 s 142 are each repealed.

6 NEW SECTION. **Sec. 8.** Section 5 of this act expires March 1, 2002.

7 NEW SECTION. **Sec. 9.** Section 6 of this act takes effect March 1,  
8 2002.

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